

### REMARKS

The above amendments to the above-captioned application along with the following remarks are being submitted as a full and complete response to the Office Action dated March 9, 2007. In view of the above amendments and the following remarks, the Examiner is respectfully requested to give due reconsideration to this application, to indicate the allowability of the claims, and to pass this case to issue.

### Status of the Claims

As outlined above, claims 1-13 stand for consideration in this application. All amendments to the application are fully supported therein. Applicants hereby submit that no new matter is being introduced into the application through the submission of this response.

### Prior Art Rejections

Claims 1-7 and 10-13 were rejected under 35 U.S.C. §103(a) as being allegedly unpatentable over Iijima (U.S. Pat. No. 6,906,767) in view of Masaki et al. (U.S. Pat. Appl. Pub. No. 2002/0033915). Claims 8 was rejected as being unpatentable over Iijima '767 in view of Masaki '915 and further in view of Kuroiwa et al. (US Patent No. 6,317,180), and claim 9 was rejected under 35 U.S.C. §103(a) on the grounds of being unpatentable over Iijima '767 in view of Masaki '915 and further in view of Satoh et al. (US Patent No. 5,847,795). Applicants have reviewed the above-noted rejections, and hereby respectfully traverse for the reasons set forth below.

Claim 1 recites that a liquid crystal display device comprises: a transmissive type liquid crystal display panel which sandwiches a liquid crystal layer between a pair of substrates; and a backlight arranged at a back face of the liquid crystal display panel and having a light source and a reflector, wherein the liquid crystal display device is capable of performing as a transmissive display which uses light from the light source and as a reflective display which uses external light incident from a front face side of the liquid crystal display panel by reflecting the external light on the reflector, the improvement being characterized in that a polarizer is arranged between the back-face-side substrate of the pair of substrates and the backlight, the polarizer being formed to absorb polarized light having a predetermined polarization direction, at least two or more light diffusion layers are arranged between the back-face-side substrate of the pair of substrates and the reflector of the backlight, the at least two or more light diffusion layers including a first diffusion layer and a second diffusion

layer, and a prism sheet is arranged between the first diffusion layer and the second diffusion layer.

Claim 5 recites a liquid crystal display device, comprising: a transmissive type liquid crystal display panel which sandwiches a liquid crystal layer between a pair of substrates, a light source, a light guide body which is arranged at a back face side of the liquid crystal display panel and on which light from the light source is incident, and a reflector which is arranged at a back face of the light guide body, wherein the liquid crystal display device is capable of performing as a transmissive display which uses light from the light source and as a reflective display which uses external light incident from a front face side of the liquid crystal display panel by reflecting the external light on the reflector. The improvement is characterized in that a polarizer is arranged between the back-face-side substrate of the pair of substrates and the light guide body, the polarizer being formed to absorb polarized light having a predetermined polarization direction. At least two or more light diffusion layers are arranged between the back-face-side substrate of the pair of substrates and the light guide body, the at least two or more light diffusion layers including a first diffusion layer and a second diffusion layer, and a prism sheet is arranged between the first diffusion layer and the second diffusion layer.

As admitted by the Examiner, Iijima fails to show that at least two or more light diffusion layers are arranged between the back-face-side substrate of the pair of substrates and the reflector of the backlight, and a prism sheet is arranged between the first diffusion layer and the second diffusion layer. Specifically, Iijima merely discloses a conventional LCD structure that incorporates only a general light diffusion plate 170 without any prism between it and any other diffusion plate or layer. Iijima does not otherwise disclose any structure about the light diffusion plate 170, except for its haze value H (see column 9, lines 57). According to Table 1, the most desirable haze value would appear to be in the range of 82 or greater for the light diffusion plate 170.

Masaki shows in Fig. 4 a light diffusion film 25, a lens film 40 and a protective diffusion film 10 (see paragraph [0070]). A protective diffusion film 10 is provided on the light outgoing surface side of the lens film 40 to prevent an unfavorable phenomenon such that, when the prism 40a in the lens film 40 comes into direct contact with the liquid crystal display device 33. This may occur when, for example, due to vibrations in transit, the prism 40a and the liquid crystal display device 33 are scratched with each other (see paragraph [0073]). In addition, the protection diffusion film 10 is disclosed as having a haze value in

the range of 15 to 50, and preferably in the range of 20 to 40. A haze value greater than 50 is undesirable because the level of the concealment effect becomes excessively high, leading to lower luminance.

Applicants will contend that it is well established that a prior art reference must be evaluated in its entirety, and it is improper to selectively pick and choose teachings out of a reference in order to support a prior art rejection. See *Panduit Corp. v. Dennison Mfg. Co.*, 227 USPQ 337, 344 (Fed. Cir. 1985). See *Para-Ordinance Mfg. Inc. v. SGS Importers Intl., Inc.*, 73 F.3d 1085, 37 USPQ2d 1237 (Fed. Cir. 1995). It is also well established that a prior art rejection based on a principle that contradicts the structure and operation of the cited reference is also improper.

In this case, Masaki discloses a structure for a protective diffusion film 10 having properties that are inconsistent with those intended in the structure of Iijima. Since the properties of the protective diffusion plate 10 of Masaki teach away from those desired for Iijima, one of skill in the art would have no motivation to combine these references at least with respect to the protective diffusion film 10. Further, since the intended purpose of the protective diffusion film 10 is to prevent damage between the prism 40a on the lens film 40 and the LCD, and since there is no motivation for the combination of Iijima and Masaki for purposes of the protective diffusion film 10, there is no purpose for combining the prism 40a from Masaki into Iijima. As a matter of fact, since the structure of Masaki as a whole is inconsistent with that of Iijima as shown above, one of skill in the art could not and would not pick and choose elements from one reference in order to combine with the other, contrary to the teachings of one or the other reference. Rather, given the inconsistencies between these two references, Applicants will contend that the present invention as claimed would be distinguishable over Iijima and Masaki, either by themselves or in combination.

As to tertiary references, Applicants will submit that Kuroiwa and Satoh were only cited for showing features recited in dependent claims. Neither reference provides any disclosure, teaching or suggestion that makes up for the deficiencies in Iijima and Masaki such that the combination of any or all of these references can embody each and every feature of the present invention as claimed. As such, the present invention as claimed is distinguishable and thereby allowable over Iijima, Masaki, Kuroiwa, Satoh and their combinations.

As to dependent claims 2-7 and 10-13, the arguments set forth above with respect to claims 1, 5, 8 and 9 are equally applicable here. The corresponding base claims being allowable, claims 2-7 and 10-13 must also be allowable.

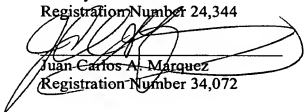
Conclusion

In view of all the above, Applicants respectfully submit that certain clear and distinct differences as discussed exist between the present invention as now claimed and the prior art references upon which the rejections in the Office Action rely. These differences are more than sufficient that the present invention as now claimed would not have been anticipated nor rendered obvious given the prior art. Rather, the present invention as a whole is distinguishable, and thereby allowable over the prior art.

Favorable reconsideration of this application as amended is respectfully solicited. Should there be any outstanding issues requiring discussion that would further the prosecution and allowance of the above-captioned application, the Examiner is invited to contact the Applicants' undersigned representative at the address and telephone number indicated below.

Respectfully submitted,

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